



OFFICE OF PUBLIC INSTRUCTION

PO BOX 202501
HELENA MT 59620-2501
www.opi.mt.gov
(406) 444-3095
(888) 231-9393
(406) 444-0169 (TTY)

Denise Juneau
Superintendent

ESEA Title IV-A Safe and Drug Free Schools and Communities (SDFSC)

Allowable and Unallowable Costs

As with all publicly funded programs, SDFSC costs must be necessary for the efficient conduct of a program, reasonable, and not restricted by statute or regulation. The State and Federal Grants Handbook contains complete guidance related to use of grant funds:

www.opi.mt.gov/federalprograms .

Examples of **unallowable** costs include:

- Clothing such as T-shirts and hats, gifts, prizes, incentives, "warm fuzzies" and souvenirs. This prohibition includes these items even when considered part of celebrations such as Red Ribbon week. Projects are encouraged to solicit donations for these items as an alternative to using grant funds;
- Dances, senior all-night parties, ski trips, bowling parties and other social activities/entertainment events are not allowable for support from grant funds. The prohibition includes tickets, transportation, lodging, food or other associated costs; and
- Sexual Education programs regardless of a program's claim about its relationship to decision-making. The Health Enhancement accreditation standards include this topic as one which can be provided through regular school curriculum.

Food and beverages: these costs are allowable only when provided during a prevention-specific activity such as an after-school/evening event or weekend retreat. Costs must be necessary such as: nutritional snacks for students during activities that occur after school and before the customary dinner hour or meals/beverages for participants at day-long, overnight programs or meetings held during breakfast, lunch or dinner times. The district's policy regarding meal costs should be used to assure that charges are reasonable.

Note: These funds cannot be used to purchase food on a regular basis or for programs not specifically related to prevention education. Contact the Office of Public Instruction SDFSC program (406-444-3000) if you have questions.

Note a policy change effective July 1, 2009: **Use of drug dogs:**

Allowable expenditures include selection of Objective 1 Activities for student locker inspections which may include use of canine searches. This change allows for costs of contracting for such inspections to be subject to the rule that requires no less than 60 percent of a district's allocation be spent on Objective 1 Activities. The policy change offers **districts** greater flexibility in determining how to create and maintain a safe and drug free environment.

"It is the mission of the Office of Public Instruction to improve teaching and learning through communication, collaboration, advocacy, and accountability to those we serve."

Supplanting: SDFSC funds are available to supplement but not supplant or replace local funds (i.e. state, county, or other local funds). If it can be demonstrated that the district no longer has funds available to support a coordinator's position or other program component, it is possible to use SDFSC funds if:

- The district maintains documentation clearly showing that the decision to use SDFSC funds was a result of other funding being eliminated; and
- The position must be one that is not otherwise mandated by Accreditation Standards or state law.

SDFSC Coordinator - These funds may be used for a coordinator or project director provided the following conditions are met:

- SDFSC funds are used for services directly related to the program management or organization of the grant and are commensurate with the time spent coordinating or providing grant activities as described in the application; and
- The funded position cannot be one that is required to be maintained by the Board of Public Education's Accreditation Standards or by state law and had been previously supported through local funds. Be cautious that the school district does not jeopardize "maintenance of effort."

Administrative Costs- The law requires that a SDFSC project can use no more than 2 percent of their grant for administrative costs of carrying out its responsibilities and which are not directly related to provision of services. In this instance OPI has interpreted this requirement to mean matters common to grants in general, such as financial management, kinds and frequency of reports, and retention of records. These are distinguished from "program requirements" such as those addressed by a program coordinator/director.

Questions may arise throughout the project year that are not specifically addressed in the State and Federal Grants Handbook or other guidance readily available to schools. Before you make a questionable decision, please call the OPI Title IV SDFSC Specialist in the Division of Health Enhancement or the Title IV SDFSC Accountant in the Fiscal Services Division. Staff can be reached by telephone at 406-444-3680, toll free at 1-888-231-9393.